

CITY OF NORTH BEND
CITY COUNCIL
WORKSTUDY NOTES
February 23, 2016 – 7:00 p.m.
City Hall Conference Room, 211 Main Ave. N., North Bend, WA

Mayor Pro Tem Loudenback called the meeting to order at 7:00 p.m.

Councilmembers Elwood, Gothelf, Kostanich, Loudenback, Pettersen, Rosen and Volken were present.

Staff Present: Mayor Ken Hearing, Assistant City Administrator Dawn Masko, Community & Economic Development Director Gina Estep, Senior Planner Mike McCarty, Senior Planner Jamie Burrell, Associate Planner Lynn Hyde, and Records Coordinator Kym Smith.

Ordinance Amending NBMC 5.04 – Square Footage B&O Tax

Assistant City Administrator/Finance Director Masko explained the City Council amended North Bend Municipal Code Section 5.04 in 2012 by adopting the Model Business and Occupation (B&O) Tax Ordinance as required by State law. She noted that the Model Ordinance allowed for the City to adopt a square footage tax; however Council chose not to do so at that time.

Ms. Masko reviewed key elements of a proposed square footage B&O tax and noted if a business was over 10,000 square feet, they would be subject to this special tax if they fell under a certain classification, such as warehousing, manufacturing, research and development, and industrial type classifications. She explained these types of classifications typically do not generate sales taxes or B&O taxes for the City, unlike downtown businesses which pay taxes to the City. Additionally, she noted industrial businesses stress our aging road infrastructure.

Ms. Masko concluded by explaining the City had staff involve a few of the local corporate businesses to come up with an equitable solution that wouldn't create a hardship for larger square footage businesses in town.

After discussion, Council consensus was to take this back to the Finance and Administration Committee for further review.

High Density Residential Upzone in Tanner Junction MPOD

Senior Planner Burrell explained on September 2, 2015 Robert E. Hibbs, on behalf of Rexford R. Hibbs Irrevocable Trust, submitted an overlay request to the City. The proposed overlay was on three parcels (consisting of 5.93 acres) currently zoned EP-1

that were located south of SE North Bend Way, at the northeast corner of SE 136th Street to the south and 436th Avenue SE to the west. The proposed overlay district enabled residential development that would not otherwise be permitted in the current EP-1 zone, and would provide a transition of uses to the existing single-family residential properties that surround these properties

Ms. Burrell noted the item was discussed in great detail at the February 2nd Council meeting and Council requested the item be remanded to a Workstudy for further discussion.

Holly Eastwood, a representative from Monta Villa, responded to additional questions from Council.

Council expressed concerns about traffic congestion, densifying exit 32, lack of public transportation, lack of available services within walking distance, and that this type of development would not be advantageous so far from downtown. They agreed with the recommendation of CED Council Committee to bring it back to Council for further discussion at the March 15th City Council meeting.

Executive Session

Mayor Pro Tem Loudenback recessed the workstudy for an executive session at 8:00 p.m. to discuss potential litigation, pursuant to RCW 42.30.110 (l)(i). No action would be taken as a result of the executive session, which was expected to last approximately 90 minutes.

The workstudy reconvened at 9:20 p.m.

Adjournment

The workstudy closed at 9:20 p.m.

ATTEST:

Ross Loudenback, Mayor Pro Tem

Kym Smith, Records Coordinator